

MEMO

TO: Finance Board

FROM: Burlington International Airport

DATE: June 22, 2011

SUBJECT: Finance Board Approval Request – License Plate Recognition System

The Burlington Airport seeks Finance Board and City Council approval for the following item related to the Parking Garage operations:

Authorization to Contract with Ultimate Systems Solutions for \$230,888.00. This is a sole source contract with Ultimate Systems Solution who is the vendor for the parking garage revenue control system manufactured by SkiData. In order to insure the new system integrates with our existing equipment and programs, SkiData compatible systems must be installed.

The project will accomplish the following:

- (1) Upgrade the existing Skidata system license software to Version 21 which will ensure the Airport Parking Garage is compliant with all new and existing federal regulations regarding use of credit cards, credit card data management, and submission of credit card information. Cost \$30,000.00.
- (2) Install a License Plate Recognition System which will match tickets and vehicles entering and exiting the garage. This system will help greatly reduce lost of revenues due to lost ticket claims, fraud, and theft of services from the parking garage. It is estimated that most parking garages lose approximately 3% or more of their revenues due to these reasons. The airport has seen increased actual and attempts at theft of services in the past few years. Using a conservative 2% loss the simple payback on this system is less than 2 years. Cost \$200,888.00.

The costs for these systems were included in the parking garage expansion project budget and will be offset by anticipated increased revenue from the garage operations.

The Airport Commission approved the project and proposed funding mechanism on June 20, 2011

Thank you for your consideration and a draft resolution is attached.

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6 **AUTHORIZATION TO CONTRACT FOR SERVICES**
7 **ASSOCIATED WITH LICENSE PLATE RECOGNITION**
8 **SYSTEM AT BURLINGTON INTERNATIONAL AIRPORT**
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14 In the year Two Thousand Eleven.....

15 Resolved by the City Council of the City of Burlington, as follows:

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17 That WHEREAS, the City of Burlington ("City") owns and operates the Burlington
18 International Airport in South Burlington, Vermont ("Airport"); and

19 WHEREAS, The Interim Director of Aviation, after consulting with the Board of Airport
20 Commissioners, has determined that upgrading existing software and installing a license plate
21 recognition system in the Airport parking garage will be in the best interest of the City and
22 public airport purposes; and

23 WHEREAS, the Interim Director of Aviation, has determined that it is the best interest of
24 the Airport to contract with Ultimate Systems Solutions for the upgrade of the parking garage's
25 existing system software to ensure compliance with all federal regulations and the installment of
26 a License Plate Recognition System, pursuant to a contract in the amount of Two Hundred Thirty
27 Thousand Eight Hundred Eighty Eight Dollars (\$230,888.00) (The Agreement), to be paid for
28 with Airport operating revenues from the parking garage,

29 NOW THEREFORE BE IT RESOLVED that the Interim Director of Aviation, Robert
30 McEwing, be and hereby is authorized to negotiate and execute the Agreement and any
31 documents necessary to facilitate the Agreement, subject to any applicable City Purchasing
32 Procedure and to prior review by the Chief Administrative Officer and the City Attorney, as
33 appropriate.

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7 **AUTHORIZATION TO CONTRACT FOR SERVICES**
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15 NAME/PURPOSE OF CONTRACTS: License Plate Recognition System
16 ADMINISTRATING DEPARTMENT: Airport
17 CONTRACT AMOUNTS: \$230,888.00
18 CONTRACT TERM: Per Agreement
19 SOURCE OF FUNDS: Airport Operating Revenues
20 FISCAL YEAR: 2012
21 ACCOUNT NAME: PEP2
22 ACCOUNT NUMBER: 35051.73990
23

24 200020-187; Resolution—Authorization re LPR